

U.S. GOVERNMENT  
LEASE FOR REAL PROPERTY

DATE OF LEASE: 9/29/2010

LEASE No. GS-09B-02386 R7

THIS LEASE, made and entered into this date between

**CANNERY VENTURE LP**

whose address is:

1530 J STREET, SUITE 200  
SACRAMENTO, CA 95814

and whose interest in the property hereinafter described is that of OWNER, hereinafter called the LESSOR, and the UNITED STATES OF AMERICA, hereinafter called the GOVERNMENT:

WITNESSETH: The parties hereto for the considerations hereinafter mentioned, covenant and agree as follows:

- The Lessor hereby leases to the Government the following described premises:  
24,250 rentable square feet (r.s.f.), yielding approximately 24,250 ANSI/BOMA Office Area square feet and related space located at the **THE CANNERY, 1651 ALHAMBRA BOULEVARD, SACRAMENTO, CA 95816-7051** together with **FOUR (4)** reserved onsite structured parking spaces to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION. The actual floor and suite number to be occupied by the Government will be established by Supplemental Lease Agreement No. 1 for Beneficial Occupancy.
- TO HAVE AND TO HOLD** the said Premises with their appurtenances for the term beginning on acceptance of the space by the Government and continuing through the following **FIFTEEN (15)** years inclusive NOT subject to termination rights. The actual dates will be established by a Supplemental Lease Agreement upon delivery of the space and the Government's acceptance for beneficial occupancy.
- The Government shall pay the Lessor annual rent in arrears in accordance with the following schedule:
  - Year 1 (Months 1-3)**, total rent will be \$0 at the rate of \$0 per month in arrears.
  - Year 1 (Months 4-12)**, total rent will be \$583,185.87 at the rate of \$64,798.43 per month in arrears.
  - Years 2 through 8 (2-8)**, annual rent will be \$783,760.00 at the rate of \$65,313.33 per month in arrears.
  - Years 9 through 15 (9-15)**, annual rent will be \$869,362.50 at the rate of \$72,446.88 per month in arrears. The rent breakdown is as follows:

	Year 1 (Months 1-3)		Year 1 (Months 4-12)		Years 2 - 8		Years 9- 15	
	Monthly Rent	Monthly Rate / RSF	Monthly Rent	Monthly Rate / RSF	Annual Rent	Annual Rate / RSF	Annual Rent	Annual Rate / RSF
Shell Rental Rate	0	0	\$43,943.43	\$1.81	\$532,772.50	\$21.97	\$618,375.00	\$25.50
T.I Rental Rate	0	0	\$11,882.50	\$0.49	\$142,590.00	\$5.88	\$142,590.00	\$5.88
Operating Cost	0	0	\$8,972.50	\$0.37	\$108,397.50	\$4.47	\$108,397.50	\$4.47
Full Service Rate	0	0	\$64,798.43	\$2.67	\$783,760.00	\$32.32	\$869,362.50	\$35.85

Actual rent will be established by a Supplemental Lease Agreement upon delivery of the space and the Government's acceptance of beneficial occupancy. Rent for a lesser period shall be prorated. Rent checks shall be payable to:

CANNERY VENTURE LP  
1530 J STREET, SUITE 200  
SACRAMENTO, CA 95814

Rent shall be payable in arrears and will be due on the first workday of each month. When the date for commencement of the lease falls after the 15th day of the month, the initial rental payment shall be due on the first workday of the second month following the commencement date. As of January 1, 1999, all rental payments MUST be made by Electronic Funds Deposit.

4. PARAGRAPH 4 IS INTENTIONALLY OMITED.

5. PARAGRAPH 5 IS INTENTIONALLY OMITED.

6. The Lessor shall furnish to the Government as part of the rental consideration, the following:

- A. The parking space(s) described in Paragraph 1
- B. All labor, materials, equipment, design, professional fees, permit fees, inspection fees, utilities, construction drawings (including, without limitation, plans and specifications), construction costs and services and all other similar costs and expenses associated with making the space, common areas, and related facilities ready for occupancy in accordance with the requirements of this lease and the Government's approved Design Intent Drawings. Rent is subject to adjustment in accordance with Paragraph 3.3, "Tenant Improvement Rental Adjustment" of the Solicitation For Offers (SFO) No. 9CA2463 dated 5/07/2010. All cost associated with services, utilities, maintenance, repair, replacement, inspections, improvements and other requirements as required by the SFO and its attachments.
- C. Adequate space for telecommunications antennae and transmission devices in accordance with Paragraph 8.14 entitled, "Telecommunications: Local Exchange Access," of the SFO.

7. The following are attached and made a part hereof:

All terms, conditions, and obligations of the Lessor and the Government as set forth in the following:

- a) The Solicitation For Offers (SFO) No. 9CA2463 (pages 1-48) dated 5/7/2010 (all references to SFO shall also refer to any Special Requirements and Amendments);
- b) [REDACTED] (Pages 1-194)
- c) United Facilities Criteria (UFC): [REDACTED] Minimum Antiterrorism Standards for Buildings [UFC 4-010-01]- (Pages 1-D7)
- d) GSA Form 3516 - (Pages 1-1)
- e) GSA Form 3517B - Full Text - (Pages 1-33);
- f) GSA Form 3518 (pages 1-7);
- g) Sheet No. 1-2 containing Paragraphs 9-21;

8. The following changes were made in this lease prior to its execution:

Paragraphs 4 and 5 of this STANDARD FORM 2 were deleted in their entirety. Paragraphs 9 through 21 have been added.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

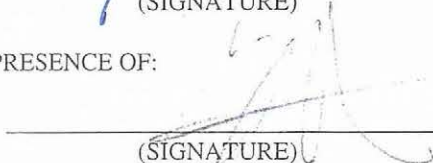
LESSOR: CANNERY VENTURE LP

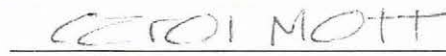
BY

  
(SIGNATURE)

  
(NAME)

IN PRESENCE OF:

  
(SIGNATURE)

  
(NAME)

UNITED STATES OF AMERICA: GENERAL SERVICES ADMINISTRATION, Public Buildings Service:

BY

  
REGINA L. NICKERSON, CONTRACTING OFFICER, GSA